



Consumer Contact: Counseling Agencies at End of Release or 1-888-623-8631

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Please note that the assistance described in this press release will be available statewide in December. If you are not in one of the pilot counties and have lost your job and are having problems paying your mortgage, the state's [Home Protection Program](#) may be able to help you. [Participating local agencies](#) will help determine if you are eligible, help you apply, and can also help you choose the best course of action if you are not eligible.

Expected to Help 21,000 Struggling North Carolina Homeowners
Foreclosure Prevention Program Pilots in 17 Northwestern Counties

Beginning today, new help is available in 17 North Carolina counties to homeowners who are struggling to make their mortgage payments because of job loss or other temporary financial hardship.

Alexander, Alleghany, Ashe, Avery, Burke, Caldwell, Catawba, Davie, Forsyth, Iredell, Mitchell, Stokes, Surry, Watauga, Wilkes, Yadkin, and Yancey counties are part of a pilot Mortgage Payment Program for the new N.C. Foreclosure Prevention Fund that the North Carolina Housing Finance Agency has developed using funding from the U.S. Department of the Treasury's "Hardest Hit Fund." Homeowners will apply through participating local HUD-approved counseling agencies (**Listed below**). The assistance will be available statewide December 1.

"We expect that over the next three to five years the N.C. Foreclosure Prevention Fund will enable 21,000 North Carolina workers to keep their homes," said A. Robert Kucab, executive director of the N.C. Housing Finance Agency. "By reducing the number of foreclosure sales, the effort should help stabilize property values and communities across the state," Kucab said.

Kucab said North Carolina was selected to receive the Treasury funds because of the large percentage of the population living in counties with high unemployment rates, and additional assistance will be available in the 50 high unemployment counties.

Most of the funds will be used to make mortgage payments for unemployed workers while they seek jobs or complete job training in a new field. Others, who through no fault of their own, have gotten behind on their mortgage payments because of divorce, serious illness or other temporary financial hardship, will be eligible for assistance while they get back on their feet. To be eligible, homeowners must have a good mortgage payment history prior to the job loss or hardship.

The assistance will be provided as a zero-interest loan, up to \$36,000 or 36 months of mortgage-related payments in high unemployment counties, and up to \$24,000 or 24 months in the rest of the state. Homeowners will resume making their own mortgage payments at the end of the loan period. If the owner continues to live in the home for 10 years, the loan will be considered satisfied and no repayment will be due.

Two smaller programs will be available in 2011 to reduce mortgage payments to an affordable level for homeowners who are working at reduced wages. These will refinance a high-cost second mortgage (available in high unemployment counties only) or reduce mortgage principal through a loan modification. Both will be offered as loans, similar to those of the mortgage payment program.

To receive assistance, homeowners will apply through participating local counseling agencies. In the pilot counties, these are:

Western Piedmont Council of Governments, (828) 322-9191 – Alexander, Burke, Caldwell, and Catawba

Consumer Credit Counseling Services of Forsyth County, (336) 896-1191 – Alleghany, Ashe, Davie, Forsyth, Iredell, Stokes, Surry, and Yadkin

Northwestern Regional Housing Authority, (828) 264-6683 – Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes, and Yancey

For more information about the pilot program or their eligibility, consumers should call one of the counseling agencies or the information line, 1-888-623-8631, or go to www.NCForeclosurePrevention.gov.

The Treasury's "Hardest Hit Fund" is authorized under the Emergency Economic Stabilization Act of 2008. It is available in 18 states and the District of Columbia, which have experienced high unemployment or a steep decline in property values. North Carolina was selected because of the large percentage of the population living in counties with high unemployment rates in 2009.

The North Carolina Housing Finance Agency is a self-supporting public agency. It has financed 196,000 homes and apartments in the last three decades, including 81,000 homes for first-time home buyers. To learn more, go to www.nchfa.com.